C2710-1

$1.25 a copy; $55 a year

Monday, April 15, 1985

Advertising Age

Crain's International Newspaper of Marketing © Entire contents copyright 1985 by Crain Communications Inc. All rights reserved.

Coke gets its juices flowing

Orange, recast Fresca ready

By NANCY GIGES

Coca-Cola USA plans a double-barreled entry into the emerging with-juice segment of the soft-drink market. It will introduce into U.S. test two brands containing juice: Minute Maid orange soda and a reformulated Fresca.

Coca-Cola is racing to beat rival Pepsi-Cola USA into the marketplace with the orange flavor, as Pepsi is expected to begin tests of Mandarin orange-flavor Slice soon. Coca-Cola has watched Pepsi's Slice lemon-lime with 10% juice overtake Coke's own Sprite lemon-lime (sans juice) in test areas.

Coke plans a late May or early June introduction for its new with-juice items.

Careful to pay attention to the larger cola segment as well, Coca-Cola plans this week to air the first 30-second spots for Cherry Coke, themed "Out 'n outrageous," in its limited markets: Atlanta; Charlotte/Greensboro/Winston-Salem, N.C.; Denver, and Hartford, Conn./Springfield, Mass.

A Coca-Cola spokesman said the company thinks Minute Maid "has a real advantage over Pepsi's Slice. The U.S. consumer is going to be excited about the 10% real orange juice in Minute Maid as opposed to Slice, which has principally pear and white grape juice in addition to lemon-lime."

In Canada, which served as a working test lab, Minute Maid orange soda contains only 2.5% juice.

Coke out to quench buyers' thirst for clothing—Page 3.

A Coca-Cola spokesman said the juice content was increased for the U.S. market because testing here indicated a stronger interest in the higher percentage. In Canada, the drink is now available to 90% of the population, up from 40% a month ago.

Fresca, a low-calorie grapefruit-flavor soft drink that has been restaged several times since its introduction in 1966, will be tested as "The perfect soft drink." It will contain 100% NutraSweet low-calorie sweetener, 1% real grapefruit juice and revert to a cloudy appearance from a clear one. New packaging features a creamy-yellow can at the bottom that fades to a light cream color at the top.

Fresca's agency is McDonald & Little, Atlanta.

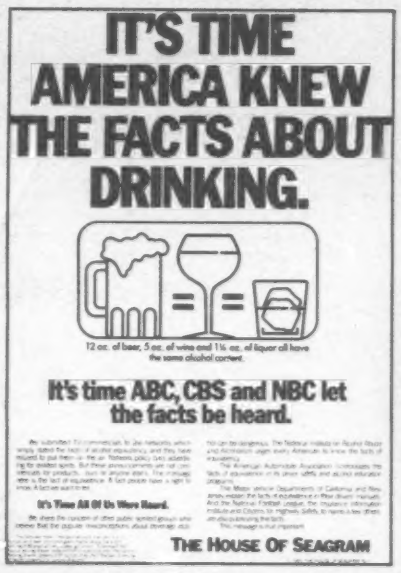
According to Coca-Cola, the brand will be aimed at an upscale audience 25 years old and older with incomes of $30,000 and above.

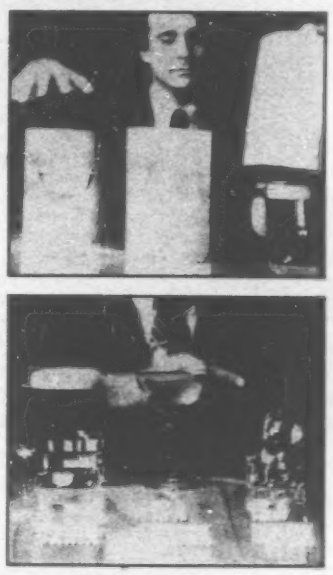
Brian G. Dyson, president, Coca-Cola USA, said the new Fresca will be positioned as a low-calorie alternative to other beverages, including sparkling waters, light wines and coolers. "Unlike certain competitors, this is a soft drink, not a bubbly, flavored water," he said.

As for Minute Maid orange soda and its diet counterpart, Mr. Dyson said it is directed at the citrus-flavor and real-juice segments, which are currently experiencing significant market growth.

Noting that the orange soda carries the prestigious name of the leading brand of orange juice in the U.S. from Coca-Cola's foods di-

(Continued on Page 84)


IT'S TIME AMERICA KNEW THE FACTS ABOUT DRINKING.
12 oz. of beer, 5 oz. of wine and 1½ oz. of liquor all have the same alcohol content.
It's time ABC, CBS and NBC let the facts be heard.
It's Time All Of Us Were Heard.
THE HOUSE OF SEAGRAM



Seagrams attacks

Seagram's new print campaign (l.) takes the major networks to task for refusing to run its tv spot (r., top and bottom) equating the alcohol contents of beer, wine and liquor. Warwick Advertising handles. *See story on Page 86.*

Lowenbrau out shopping

By STEWART ALTER and SCOTT HUME

Miller Brewing has begun a "preliminary review of new advertising creative" for the $20 million Lowenbrau superpremium brand assignment now handled by Backer & Spielvogel.

A spokesman for Milwaukee-based Miller said it will interview "a number of potentially interested agencies" over the next two weeks. By the end of this month that number will be narrowed to two or three finalists who will join Backer & Spielvogel, New York, in making competitive presentations.

If Miller sticks to that timetable, it would be a much speedier review than last year's 11-month-long deliberation over the $50 million assignment for High Life. B&S ultimately lost that account to J. Walter Thompson USA, New York, but retained media-buying responsibility.

The job of reviving Lowenbrau's sales may be no easier than turning around Miller High Life. The superpremium segment has been badly hurt by the rise in sales for imports, and Lowenbrau sales dipped perhaps 20% last year, according to analysts' estimates.

(Continued on Page 84)

Last Minute News

Chattem whittles field to five agencies

NEW YORK—Chattem, following its split with Marschalk Co., has narrowed its agency search to five shops. They are Advertising To Women; D'Arcy MacManus Masius; Geer, DuBois; HBM/Creamer, and Hill, Holliday, Connors, Cosmopulos. Each has been asked to create an ad for a skin cleanser. The winner will then get the rest of the account.

Leber Katz, Eurocom consider linkup

NEW YORK—Leber Katz Partners and Eurocom SA, Paris, are continuing a dialog on a possible international business linkup. Eurocom controls four major French agencies and Univas, an international network.

P&G, Chesebrough drop legal jousting

NEW YORK—Procter & Gamble, Cincinnati, and Chesebrough-Pond's, Greenwich, Conn., have dropped lawsuits over each other's ad claims on

(Continued on Page 8)

Media merger mania mounts

By VERNE GAY

NEW YORK—Everyone agrees, media takeover fever is rampant. Now the question is, who's next?

Wall Street observers, broadcast analysts, consultants and brokers say the flurry of takeover activity is far from over. Just in the last week, Cox Enterprises, the closely held company that owns the Cox newspaper interests, made a $75-a-share tender offer to take Cox Communications and its broadcast and cable properties private; CBS Inc. sued arbitrageur Ivan Boesky for alleged stock-trading improprieties involved in Mr. Boesky's purchase of an 8.7% interest in the media giant; Multimedia Inc. rebuffed two separate $1 billion offers from former Treasury Secretary William E. Simon and Lorimar Communications, and Storer Communications, which faces liquidation and a hostile proxy fight for control of the company, convinced the Federal Communications Commission to decide quickly whether the dissident stockholders had to file a "long form" request, a move that could seriously delay the takeover attempt.

At least half a dozen other top communications companies could also be targeted by takeover specialists in the near future, according to an ADVERTISING AGE survey of stock analysts and station brokers. Some of the companies most often cited as likely takeover targets,

(Continued on Page 84)

Fed jury targets print buys

CHICAGO—A federal investigation into alleged kickbacks is said to involve Earl Lee Co., a commercial printing company here, and at least one of its agency clients.

A spokesman for Young & Rubicam, New York, has confirmed that an employe with Y&R/Zemp in St. Petersburg, Fla., has been granted a leave of absence pending the outcome of an FBI probe into his dealings with the Chicago printing company.

Y&R said the Zemp exec, a print production supervisor, is

(Continued on Page 8)

NEWSPAPER

AA
DC2001ACONGLI FMJF
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Sohio bridges Gulf account with Doner

By JESSE SNYDER

Standard Oil Co. (Ohio), devising a marketing strategy for the 4,200 Gulf service stations it acquired this year, has assigned the multimillion-dollar account to W.B. Doner & Co., Southfield, Mich.

Doner, already on Sohio's agency roster, will open a Cleveland office, where Sohio is headquartered. The size of the account is under negotiation, but it could reach $8 million. A key factor will be how soon and how completely Sohio plans to consolidate retail gasoline brands.

Sohio is researching for an umbrella brand name under which to consolidate many of its retail gas outlets within a year or so. It is unclear how agency assignments would be divided under such an arrangement.

The Gulf stations in Sohio's hands, located in eight southeastern states, were acquired from Chevron Oil Co. in February.

Doner beat out another incumbent Sohio agency, Marschalk Co., Cleveland, and an unspecified number of other agencies, said Jon Groza, Sohio advertising analyst. Young & Rubicam, New York, which has Chevron's remaining Gulf stations outside the Southeast, was not involved because of the conflict.

Doner handles Sohio's year-old Procare auto service centers in Ohio and tire, battery and accessories advertising. Marschalk handles Sohio's other retail gasoline outlets: Sohio in Ohio, Gibbs and BP in the East, William Penn in Pennsylvania, Boron in Michigan, Kentucky, Pennsylvania and West Virginia and Gas-'n-Go in Detroit.

Marschalk also handles Sohio Chemical Co., a Cleveland-based subsidiary, and Truck Stops of America, which Sohio purchased from Ryder Co. in 1984.

Sohio's 4,200 Gulf stations had to be divested by Chevron in order to get government approval of its acquisition of Gulf Oil Co. Chevron still operates Gulf stations in other states, but will allow Sohio to retain the Gulf brand name for up to nine years.

Doner executives will travel to Sohio headquarters in Cleveland this week to discuss plans for the new office. Doner is likely to locate account execs in Cleveland, perhaps in the Sohio building, and keep creative in its Detroit office.

"We are very happy with Marschalk's work, but Doner's Procare work is just what we wanted," Mr. Groza said.

Marschalk is shooting a series of six new commercials for a new

(Continued on Page 86)

The Hearns-Hagler fight prompted a waterbed marketer to place these outdoor ads, which join advertising and promotional efforts of all sorts, in Detroit, Tommy Hearns' hometown.

Hagler-Hearns: Promotions for pugilism pay off

By ROBERT RAISSMAN

The folks at Waterbed Gallery in Livonia, Mich., have a special interest in the outcome of tonight's World Middleweight Championship fight between Marvelous Marvin Hagler and challenger Thomas (Hitman) Hearns.

They have signed the Hitman to a yearlong endorsement deal. Thirty-five outdoor boards featuring the 26-year-old fighter with the slogan "Waterbed Gallery puts Thomas Hearns on his back every night!" have been hanging around Detroit, Mr. Hearns' hometown, for about a month. Whether he will move on to bigger and better deals inside and outside the ring will be determined following the rumble. The fight itself appears likely to set box-office records for both live and closed-circuit tv attendance.

"It's gone beyond my expectations," said Bob Halloran, vp-sports and special events, Caesars World Productions. The fight will be held in the parking lot of Caesars Palace in Las Vegas. "I thought the interest in other [championship fights at Caesars] was great, but it's beyond great in this one." For Caesars, the smashing success of the fight—ringside seats were being scalped for $2,000 each late last week—gives the Las Vegas casino an added shot of awareness. Mr. Halloran said Caesars' ad budget for the fight was about $200,000.

"But when you think of the publicity this fight has generated here and around the world, the cost-per-thousand we are getting is amazing," Mr. Halloran said.

Tv ads featuring Messrs. Hearns and Hagler have appeared regularly on ESPN for the past month, and ads for the fight have been in a variety of national magazines.

The one area in which the fight may have fallen short is tie-ins. Bob Arum, president, Top Rank, the promoter of the fight, had ap-

(Continued on Page 86)

Highlights

Beatrice/Hunt-Wesson Foods is preparing for a fight with CPC International's Mazola corn oil by introducing nationally its Wesson corn oil. *See Page 6.*

USA for Africa, the star-studded crew that crooned "We Are the World," has spawned more than a hit single. *See Page 10.*

Pepsi-Cola USA and Pepsi-Cola International are majority sponsors of an effort by Hispanic recording artists seeking to raise funds for Latin American relief. *See Page 10.*

When you're No. 6 in the $3 billion car-rental market, you have to try even harder. So in that dog-eat-dog business, Dallas-based American International Rent A Car is hoping its new cartoon spokespooch, Frugalhound, will take a bite out of the market share of its competitors. *See Page 28.*

Marschalk Co., New York, has hired three new senior vps-associate creative directors in a significant expansion of its creative management. *See Page 40.*

Members of the Detroit ad community hit the road for the Uniroyal One Lap of America. A Young & Rubicam team finished fourth. *See Page 42.*

Church & Dwight's struggle to stop rival Airwick Industries from making certain ad claims

for Carpet Fresh rug and room deodorizer may have backfired. Not only has Airwick been exonerated, but now the company says it has accumulated so much information defending itself, it now believes Church & Dwight's claims for Arm & Hammer carpet deodorizer are false and misleading. *See Page 81.*

CORPORATE CLOSE UP

Adolph Coors Co. recently brought its brands into Chicago as part of its drive toward national distribution. Its target: The dominant brewery, Anheuser-Busch. *See Page 4.*

FORUM

Gloria Steinem flouts superstition by listing 13—yes, *thirteen*—major trends in society. *See Page 18.*

Adman Neal Lemlein outlines a coming imperative for movie makers—to make films that appeal to an older audience. *See Page 18.*

INTERNATIONAL

Europeans are predicting a major shakeout in the white-goods industry this year. Experts say mergers and shutdowns are expected. *See Page 46.*

The Canadian government and the advertising industry are haggling over whether toy marketers should be allowed to address advertising directly to children. *See Page 46.*

Keith Reinhard, chairman of Needham Harper Worldwide, and Bill Phillips, chairman of the Ogilvy Group, offer opposing views on aspects of global marketing. *See Page 46.*

DIRECT MARKETING

A recent agreement between the American Gas Assn. and the National Center for Missing & Exploited Children, Washington, is the largest instance of mailers getting behind the campaign to help locate missing children, but not the first. *See Page 68.*

An unusual sweepstakes promotion has helped ratings for a syndicated tv soap opera, but its producers nevertheless have decided to yank the show from prime time. *See Page 68.*

COMING THURSDAY

SPECIAL REPORT

Are supermarkets the dinosaurs of the 1980s? They won't be if they evolve to stay ahead of the competition—specialty shops, warehouse stores, convenience outlets and more.

REGULAR FEATURES

ADBEAT	77	PHOTO REVIEW	32
ADVERTISER PEOPLE	70	PRESSTIME	8
ADVERTISING MARKETPLACE	73	QUARTERLY EARNINGS	87
BRADY'S BUNCH	64	REGIONAL NEWS	66
CON-SIO-ERATIONS	16	REPORTAGE	60
CORRECTIONS & CLARIFICATIONS	6	RESEARCH BEAT	54
DIRECT MARKETING	68	RESEARCH PEOPLE	54
EDITORIAL	16	VIDEOTECH UPDATE	50
FOR THE RECORD	81	WORLD NEWS ROUNDUP	3
FORUM	18		
LETTERS	20		
OBITUARIES	83		
PERSONAL PRIVILEGE	24		

FIGURES TO FILE

ADVERTISING PAGES IN FARM PUBLICATIONS, FIRST QUARTER, 1985 78

Vol. 56, No. 29—ADVERTISING AGE (ISSN 0001-8899) is published twice weekly except once a week the first week in January, the fourth week in November and the fourth week in December at 740 Rush Street, Chicago, IL 60611. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 740 Rush Street, Chicago, IL 60611. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, O. 44691.

$1.25 a copy, $55 a year, $100 two years. Add $143 per year for air delivery to Europe & Middle East. Add $49 for surface mail to all other foreign countries. WILLIAM STRONG, vp-circulation; ROGER DI GREGORIO, fulfillment director; HEIDI SCHULTZ, senior circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to circulation department, Advertising Age, 740 Rush St., Chicago, Ill. 60611 (312) 649-5200.

Reed on wild side for Honda scooters

By BOB MARICH

American Honda motor scooters are portrayed as hip, trendy and fashionable in a new ad campaign featuring singer Lou Reed.

In one print ad, featuring a photo of Mr. Reed and a scooter in a cityscape, there is no copy.

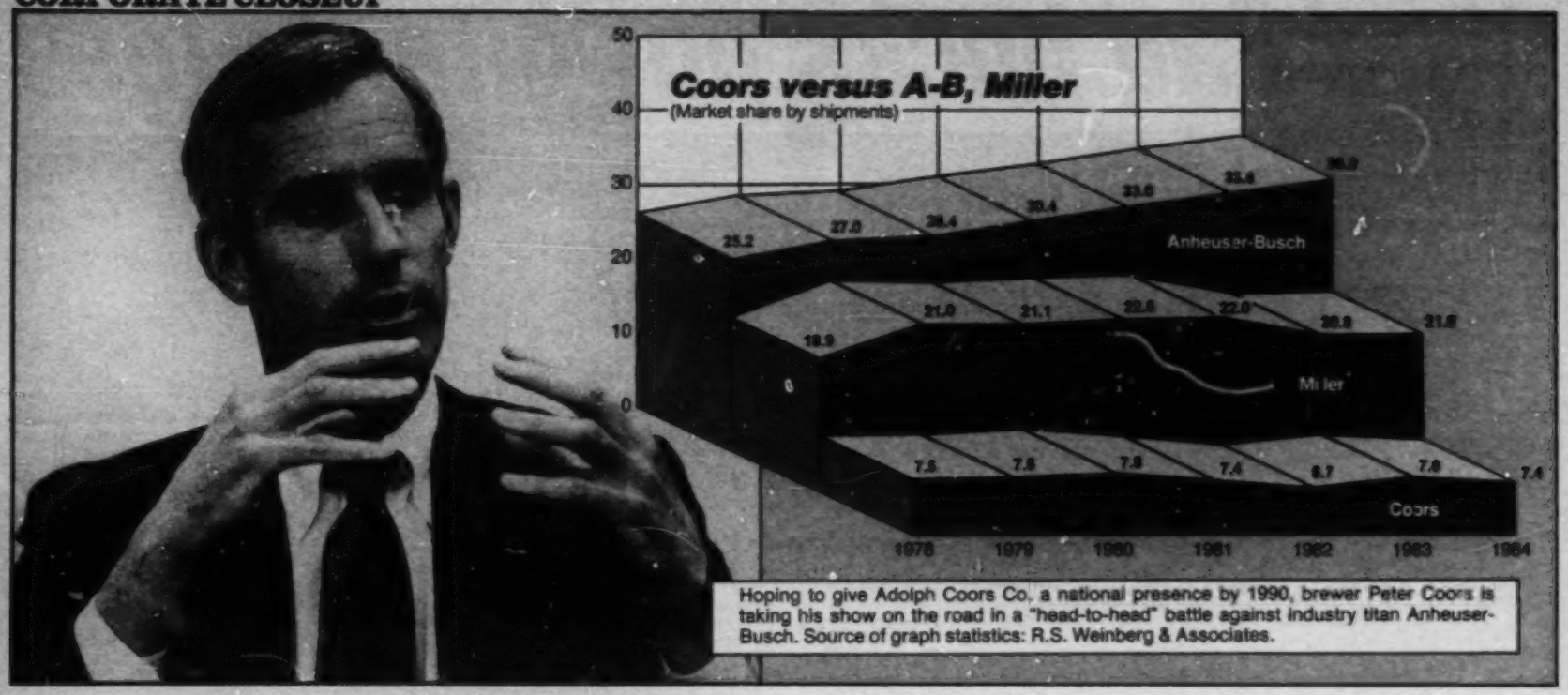
In a tv spot with the same setting, the background music is from "Walk on the Wild Side," Mr. Reed's funky hit song from 1972 about a transvestite.

"The whole idea is to suggest being different and Lou Reed is about as avante-garde as they come," said Gary Langstaff, general manager of Wieden & Kennedy, Los Angeles. The campaign is the first since the agency took the account (AA, Jan 7). The estimated $8 million campaign begins May 6. Media Buying Services (West), Santa Monica, handles media buying.

Honda holds about 80% of the scooter market; Yamaha Motor Corp., Cypress, Cal., is the other marketer in the category.

Neil Leventhal, Honda motor-scooter division manager, said the ads are designed to elicit "an emotional response." Dailey & Associates, the former motor scooter agency that still handles the $40 million Honda motorcycle account, last year used rock stars Adam Ant and Grace Jones as presenters in scooter ads.

CORPORATE CLOSEUP



Hoping to give Adolph Coors Co. a national presence by 1990, brewer Peter Coors is taking his show on the road in a "head-to-head" battle against industry titan Anheuser-Busch. Source of graph statistics: R.S. Weinberg & Associates.

Coors pores over plans to expand

By SCOTT HUME

CHICAGO—Peter Coors leans forward in his chair when asked why his family's company, Adolph Coors Co., has in the past two years nearly doubled (to 44) the number of states in which it markets its products. He answers the question straight on:

"We have to be a national marketer. Changes in the brewing industry, especially consolidation, now make that mandatory."

With only a short pause, Mr. Coors then gets right to the marching orders.

"Anheuser-Busch is our competition, and primarily Budweiser," he says flatly. "Traditionally, A-B has used the profits it makes in the East against us in the West. What we've got to do is press on them in their traditional markets [in the East and Midwest] and force them to redirect marketing funds to ease their pressure."

Mr. Coors understands the perils of taking on Anheuser-Busch, a company that presently enjoys an awesome dominance in the industry.

In the past, Coors tried without success to position advertising for its Coors and Golden Lager brands against A-B's Budweiser. But the Golden, Colo.-based brewery is now avoiding that kind of confrontation and, instead, going "head-to-head" against A-B brands on retail shelves and in taverns across the country as part of its territorial expansion strategy.

Mr. Coors, the company's secretary and divisional president for sales, marketing and administration, was in Chicago recently for precisely that purpose—to help inaugurate Coors' off-premise sales in one of the nation's most competitive beer markets.

The move into Illinois is the latest in a series of such "grand entrances" for Coors, which is steadily taking its Coors and Coors Light beers across the country. Similar galas are coming soon in six New England states.

The great-grandson of the company's founder, Mr. Coors speaks with the openness and honesty that long has characterized his family and sometimes brought trouble. He doesn't say Coors has arrived in Chicago because the city is "a great beer town" or because "the market wanted us," as a slicker brewery exec might have. Instead, Coors now is selling its products here and in Milwaukee, and soon in Boston, because it *needs* to do so. It needs the sales, it needs the economies of national marketing.

Likewise, Mr. Coors believes, it needs to take on Anheuser-Busch.

For every major brewer except one, 1984 sales were lower than the previous year's and the scramble is on to find ways to reverse their slides. Anheuser-Busch, of course, was the exeception. Its net beer-business sales rose 10% to $5.39 billion. Total shipments by the St. Louis-based brewer were 64 million bbls., a 5.8% increase from the 60.5 million shipped in 1983. Coors' net beer-business sales last year, by contrast, were $938 million, down 1% from $947 million in 1983. Total shipments fell 3.9% to 13.2 million bbls. from 13.7 bbls. The difference between the two sets of figures leaves Coors with a lot of marching to do.

Brewing industry observers generally agree that becoming a national marketer—and a national advertiser—is important to Coors' long-term survival. The nation's fifth-largest brewery (or sixth, if you combine Paul Kalmanovitz' holdings, including recently acquired Pabst Brewing), Coors has

(Continued on Page 58)

WHO PUT WESSON IN A NEW LIGHT?

The same people who would like to put your upcoming success in headlines. The same techniques that developed Wesson's new Light & Natural Oil, put Baking Soda in more than thirty million refrigerators, developed new Sunkist Vitamin C for Rexall, and new Panhandl'rs for Airwick . . . can work for you.

They could also be just what you've been looking for to restage that fading star, or create a successful new product's plan. Gerald Schoenfeld, Inc., consultants to America's major marketers, now offers the "Product Success Program".

- Whether it's developing new products from scratch or treating old products like new;
- Whether your resource is your name, your R&D, your distribution, your marketing insights, your established brand, your interest in a new category, or some combination of these;
- Whether you want us to work with your agency or without, here or abroad;

. . . the "Product Success Program" offers unique and proven techniques.

To find out more about the "Product Success Program", call or write Sonia Kallen, (914) 631-8800.

Gerald Schoenfeld inc.

55 SO. BROADWAY, TARRYTOWN, N.Y. 10591 (914) 631-8800

Japanese urge 'Buy foreign'

By JACK BURTON

TOKYO—The Japanese government later this month will launch a domestic public relations campaign including tv and print ads to encourage Japanese to buy more foreign—mainly U.S.—goods.

The campaign, to be coordinated by the prime minister's office and the Ministry of International Trade & Industry, is one of several dozen measures the Japanese cabinet approved April 9 to open the country further to imports.

"An intensive campaign through advertisements in newspapers, magazines and posters—and on the streets—and on tv will be carried out to strongly appeal to the Japanese and local marketers to encourage their efforts to expand imports of foreign manufactured goods," the cabinet announced.

The action was taken in the face of growing demands in the U.S. that Washington limit Japanese exports to America unless Japan improves the access of foreign products to its own market.

The tone of the campaign was set when Prime Minister Yasuhiro Nakasone told tv viewers April 9, "If each of you buys $100 worth of foreign goods, Japan's import volume will expand by $12 billion, and this is the way to overcome the present difficulties."

Although the government import measures are designed to be enacted over a three-year period, the pr campaign may have a considerably shorter life span and only a limited impact.

Tv spots, which will remind viewers that it is their responsibility to buy more foreign goods to maintain the free-trade system, probably will run for only a three-week period from April 20 through early May, according to Mitsuoki Kikuchi, a senior official in the public information section of the prime minister's office.

These spots, which will take the form of public service announcements, may have a hard time getting on prime time tv since ad time during this time slot usually is booked weeks in advance.

Newspaper ads will appear the last week in April, and cinema ads will be screened in early May. The government also will get its "Buy foreign" message across with electronic posters and foreign-product exhibits on street corners.

The next two weeks of a government-sponsored tv program, "Amakara Talks," will be devoted to the issue, but it is expected that it will reach a small audience because the show airs at 8 a.m.

Mr. Kikuchi said he could not estimate how much the campaign will cost, but admitted "it is not a big amount" because "we are using media space that we have already contracted for other information purposes."

Dentsu, which handles the bulk of government advertising, likely will play a leading role in the campaign, sources say.

Wesson looks for Mazola corn oil to slip

By JULIE FRANZ and RUTH STROUD

Chicago—Backed by a $16 million ad campaign, Beatrice/Hunt-Wesson Foods is preparing for a fight with CPC International's Mazola corn oil by introducing nationally its Wesson corn oil.

The product tested in New York, Philadelphia and Miami last year (AA, Dec. 10).

The strength of the Beatrice name and Hunt-Wesson's distribution system should give Wesson corn oil the momentum to pass Mazola as the corn-oil market leader, one retail source said.

Some believe Wesson simply will sacrifice profits for market share—pouring millions into promotion and paring its prices to steal volume from Mazola and private-label brands.

The Fullerton, Cal.-based company reportedly decided to go forward with the corn-oil introduction after simulations showed that consumers would buy the corn-oil product because of the Wesson name.

One regional competitor said he found it "hard to believe" that people would switch oils based only on name perception.

Instead, price and promotion will be the motivating factors, he theorized.

Wesson's regular vegetable-based oil is No. 2 in the cooking oil category.

The new corn oil is heavily targeted to Hispanic consumers, the largest buyers of corn oil.

Here's 35¢ to try
NEW
Wesson Corn Oil
Wesson
Introducing Wesson Corn Oil
It's All Natural, Made from 100% Pure Corn Oil with No Cholesterol. And best of all~
It Fries Like Wesson!

Hunt-Wesson's new Wesson corn oil is taking a stab at the top spot in the corn oil market, currently held by CPC International's Mazola brand. Wesson corn oil ads are by Ketchum Advertising, San Francisco.

Englewood Cliffs, N.J.-based CPC, considered by retailers to be giving Mazola lukewarm support, has stepped up advertising efforts by offering co-op coupons, buyers report.

Mazola corn oil brand manager Mike Lyon said, "We feel we do provide Mazola corn oil with enough ad support for long-term growth." He had no comment on how the brand will defend itself against Wesson's new entry. D'Arcy MacManus Masius, New York, is the agency for Mazola corn oil.

Ketchum Advertising/San Francisco, Wesson's agency, plans spots on both network and Hispanic cable tv. Themed "And best of all, it fries like Wesson," the spots run from June through November.

Coupons for 25¢ off will run in June, July, August and November. Co-op coupons for 35¢ off are already appearing in selected markets.

Wesson corn oil comes in 32-oz., 48-oz., 64-oz. and 1-gal. sizes. It's priced comparably with Mazola, buyers report.

As of last fall, Procter & Gamble's Crisco led the cooking-oil category with about 21% of the 1.15 billion-lb. market. Wesson followed with 19.9%, Mazola with 15.8%, P&G's Puritan with 3.8% and Beatrice/Hunt-Wesson's Sunlite with 2.2%. Private labels and generics represent about a quarter of the market, industry sources estimate.

Market shares in the corn-oil segment are a little less defined. Mazola clearly is the leader in the segment, which comprises an estimated 25%-to-30% of the total cooking-oil category. Mazola represents about 50% of the corn-oil segment, followed by private labels with about 30%, sources believe. Regional brands comprise most of the rest.

Fleischmann's corn oil, introduced in upstate New York (AA, Feb. 13) by parent Nabisco Brands, Parsippany, N.J., hardly will be a factor after Wesson's distribution and heavy promotion goes into full swing, industry sources suggest.

Sources said Beatrice/Hunt-Wesson's attempt to reposition its ailing Sunlite sunflower-oil brand has proved ill-fated and the new corn oil is supplanting it on some store shelves. The company changed the product name to Sunlite Wesson 100% Sunflower Seed oil, seeking to raise its sinking market share by linking it with the Wesson name (AA, Dec. 10). Dailey & Associates, Los Angeles, is the agency.

Wesson corn oil is a way of filling the gap left by the Sunlite disappointment while further leveraging the Wesson name. In addition, the company has quietly reformulated its regular Wesson oil, a partially hydrogenated soy oil, to a "new, all-natural" nonhydrogenated oil.

Hydrogenation is the process that ensures oil doesn't break down when heated.

Hunt-Wesson apparently has discovered a way of stablizing the oil naturally, a mysterious technique that has aroused competitors' curiosity.

A Hunt-Wesson source said the company has been advertising its Wesson oil on a continual basis and probably will mention its "new all-natural" designation in future advertising. The source also denied that its renamed Sunlite oil has been a disappointment. "It's meeting all our expectations," he maintained. Tv and print ads continue for the product.#

CORRECTIONS & CLARIFICATIONS

- Lord, Geller, Federico, Einstein, New York, had gross world income of $14.4 million in 1983. The amount was listed incorrectly in two charts (AA, March 28, P. 30).
- The budget figure reported for Citibank's national MasterCard/Visa card marketing campaign, $17 million (AA, April 8, P. 84), is based on an AA estimate from outside sources. Citibank, which declined to release spending figures, said the $17 million estimate is inaccurate.
- Ogilvy & Mather's growth usually comes 70% from existing clients, 30% from new business, but came 50% from existing clients, 50% from new business in 1984, a very strong new-business year for the agency. A previous story on the agency (AA, March 25, P. 47) confused those percentages.
- In a story on Brazil, the names of agency executives Steve Frankfurt, Bert Steinhauser and Norman Vale were incorrectly spelled (AA, April 1, P. 54).#

SCRATCH PADS
NOTE CUBES

Insert, tip-in or throw-in Tension total story envelopes.

To combat rising postage costs, many direct marketers are profitably **using co-ops and package inserts; publication** (including supplement and comic section) **inserts; invoice** and **statement stuffers;** and **private delivery ride-alongs** to distribute their selling pieces.

At Tension we've designed a lot of these postage-saving envelopes — both the regular and welded-seam styles. Choose from many innovative creations with space to fully tell your story, sell your product or service **and** bring back the order.

Let's look at postage alternatives together.

Send for a **FREE** "Insert/Tip-In/Throw-In" envelope **IDEA FILE.**

Making envelopes for America since 1886.

Tension Envelope Corporation
10 PLANTS NATIONWIDE
815 E. 19th St., Kansas City, MO 64108
☐ Please send "Insert/Tip-In/Throw-In" Envelope Idea File.
Name _____ Title _____
Firm Name _____
Address _____
City/State/Zip _____
Phone _____ Current Distribution Method _____

WHY BE A LITTLE FISH IN A BIG POND?

LAUREL-HATTIESBURG IS A FAST-FOOD MARKET YOU CAN REALLY SINK YOUR TEETH INTO.

Laurel-Hattiesburg, Mississippi is the 31st richest fast-food ADI in the country,* 66th richest for general merchandise* and beefing up even more.

By 1988,** Effective Buying Income will increase 71%, Total Retail Sales will increase 64%. So if you're selling fast food, take a good, long look at WDAM-TV in Laurel-Hattiesburg.

WDAM-TV DOMINATES THE MARKET

And we've the fact and figures, including a 75 News Share (Arbitron, Nov. '84) to help you bite a big chunk of a fat new market.

BE A BIG FISH.

Represented by Avery-Knodel Television

Sources: *Market Statistics, 1984, Sales-Per-Household
**Sales & Marketing Management's 1984 Survey of Buying Power

© 1985 Beam Communications Corp.

BEAM COMMUNICATIONS

WDAM-TV, NBC, Laurel-Hattiesburg, MS
WCFT-TV, CBS, Tuscaloosa, AL
KYEL-TV, NBC, Yuma, AZ – El Centro, CA

Coors

(Continued from Page 4)

been losing share in some of its core markets like California and Texas (primarily to A-B) and additional sales territories can help offset those losses.

Thus the company has spent the past few years expanding its marketing territory, its product line and its advertising budget in pursuit of 50-state availability by 1990.

A-B a tough target

Establishing itself nationally would be difficult for Coors in the best of times—which, for the brewing business, these aren't. Setting its sights on A-B only compounds the difficulty.

"It's like you or me going one-on-one with [Boston Celtics star] Larry Bird," Manny Goldman, an analyst at Montgomery Securities in San Francisco, says of taking on A-B. "You might actually score a few points, but you're not going to win. How well Coors does long-term really depends on how it does against the industry as a whole."

Analyst George Thompson at Prudential-Bache in New York is similarly unenthusiastic.

"A-B will wear you down in a market even if they don't have the largest market share" as they do not in Chicago, where G. Heileman Brewing remains the leader, he says. "And if they do have a significant share, they'll eat you alive."

That has been Coors' fate in earlier expansion pushes into the Southeast and upper Midwest, analysts say.

"When Coors moved into Florida [in 1983], bingo, it grabbed a 15% share. But three months later it was down to 10% and heading toward 8%," Mr. Thompson says. And that's been their experience in every market they've expanded into lately."

Coors is a beer that midwesterners and easterners once "smuggled" home from the West. Yet "the 'novelty' of the new brand and the so-called 'Coors mystique' wears off, and they haven't got the muscle to keep share," Mr. Thompson adds.

According to industry newsletter "Beer Marketer's Insights," Coors' shipments in the Southeast dropped 21% in 1984. A-B's were up 12%, Miller's up 1.3%. Coors' 7% share in the Southeast is respectable, analysts add, but they question whether Coors can increase its share at the expense of A-B or Miller. It might be wiser to target Detroit-based Stroh Brewery or La Crosse, Wis.-based G. Heileman, they suggest.

Money is only one of the competitive edges A-B and Miller have over Coors, but it is a formidable one. Both A-B (with net income last year of $392 million) and Miller (with wealthy parent Philip Morris) have more available cash than does Coors (whose net income last year was $44.7 million). And staying afloat in the beer business takes a lot of money.

Expensive expansion

"Coors' expansion is going to be very, very expensive," says Mr. Goldman. "Remember that there is *no* market where A-B has a vulnerably low share. It can afford large marketing outlays everywhere. And I'd be surprised if A-B really is concentrating its spending on the West. Instead, it has been increasing spending in Chicago and the Midwest, where it hasn't been strongest. And that's right where Coors is going now. The move into Chicago may be Coors' most difficult to date."

Another roadblock in Coors' path is what analyst Mr. Thompson calls the "third-strongest guy" distribution problem. Distributors for the two strongest brands in a market—usually A-B and Miller or Stroh or, in Chicago's case, Heileman—won't take on Coors. That forces the Colorado brewery to hook up with no better than the third-strongest distributor in the market, and to live with the consequences of wielding only the third-strongest clout in getting on-premise placements. This, says Mr. Thompson, is why Coors' share drops off in new markets.

Reasons for optimism

Compounding the distribution problem are the large number of Pabst distributors who also handle Coors. Paul Kalmanovitz' immediate dismantling of Pabst's marketing department after his acquisition of the brewer (AA, March 25) puts some of those businesses on shaky ground.

Peter Coors is fully aware of these obstacles, yet remains confident. Among his reasons: The success of Coors Light and the potential of the current "distinctiveness" advertising campaign to boost sales of Coors premium.

Coors Light, which broke a 20-year company tradition of brewing only one beer when it was introduced in 1978, "has gone crazy," Mr. Coors points out. Analysts agree. Coors Light is now the No. 2 light beer behind Miller Lite and a significant advantage in the effort to increase market share.

Not all the brewer's efforts to expand its product line have met with such success, but even so, Mr. Coors declares, the experience has been instructive.

Herman Joseph's, Coors' entry in the top-of-the-line superpremium category, has languished in a variety of test markets since its introduction in 1980. For now, its future is "in a holding pattern," Mr. Coors says, since that category has been especially hard hit by the industry's downturn.

Killian's Irish Red, an import-style beer introduced in 1981, is "doing quite well" in the 24 states where it is marketed "but isn't right for every market," he says. Still, he predicted further market expansion for the brand this year.

In 1983, Coors tried out Golden Lager, a "heavier-tasting" premium beer meant to do battle with Budweiser. Golden Lager was pulled from test last fall, but Coors is ready to try again. This month it will begin testing a new full-bodied premium brand called Coors Extra Gold (AA, Feb. 11).

"We learned some lessons from the failure of Golden Lager," Mr. Coors says with characteristic forthrightness. "It was targeted directly at Bud, and that didn't work. Consumers didn't understand what the brand was all about and they didn't understand its connection with Coors.

"We pushed too hard toward Bud with Golden Lager rather than concentrate on its being from Coors. Coors Extra Gold has the benefit of the Coors name and we're going to tell people [in advertising created by Tatham-Laird & Kudner, Chicago] that this isn't a superpremium, this is simply a premium beer with a bit more heft."

Advertising is the other important element in Mr. Coors' plan, and he is counting on a campaign from national agency Foote, Cone & Belding, Chicago, to improve sales of Coors premium, which has slipped. These ads (AA, Jan. 31), themed "Coors is the one," feature actor Mark Harmon, star of NBC-tv's "St. Elsewhere," quietly discussing attributes (such as nonpasteurization) that set Coors apart.

"Just plain beer talk"

"There's no hoopla here," Mr. Coors says of the campaign, now airing in established markets. "There are no bar scenes, no macho postures. This is just plain old beer talk. We're not saying it's like Bud or anything else, we're just saying what it is: A fresh, clean-tasting beer."

That campaign will be used for Coors' first foray into network tv in the next few months. Mr. Coors allows that the brewer has "paid a penalty for not having national network tv" like its competitors have, but relishes the prospect.

"It's going to be fun getting into the bidding [for network and local sports sponsorships]," he says with a smile. "But with the Olympics and the Super Bowl and the stadium presences, A-B has pushed the prices up substantially, making it more difficult for us to do what the company wants to do. But we're the second-most-profitable brewery in the country."

Through last year's first three quarters, A-B spent $91 million in measured media on its Budweiser and Bud Light brands alone. Miller spent $85 million on High Life and Lite (and this was before the start of its expensive blitz for High Life's new "American made" campaign). For Coors and Coors Light, Coors spent $23 million.

Mr. Coors said advertising spending will be up significantly in 1985 (last year its total advertising/marketing spending was $139 million, or 11% of gross sales, compared with 9.9% the previous year). Several million dollars will be spent in Chicago alone.

Image problem lingers

If there's a cloud in Mr. Coors' blue sky, it's Adolph Coors Co.'s recurrent corporate image problem. Marketing dollars that could be channeled to media spending instead are directed to a massive array of community-relations programs that have a special urgency for Coors because of longstanding complaints in the past about the company's alleged discrimination against ethnic groups and organized labor, and the conservative politics of chairman William Coors and his brother, Joseph, who is president.

A 1982 "60 Minutes" report on Coors chronicled the extent of its affirmative-action programs and helped put that issue to rest. But a residue of bitterness clearly remains when Peter Coors talks about how hard the company has had to fight its negative image.

"We are not anti-union," he says flatly, "although it would be easy for us to be considering some of the things labor has said about us."

(To handle advertising targeted to the Hispanic market, Coors has hired GSD&M, Austin, Tex. Although it works with several small minority agencies for advertising targeted to blacks, Coors has yet to name an agency to coordinate that effort. Mr. Coors said he "expects that eventually a national agency will be named" for that.)

One area in which Coors hasn't yet become a competitor is low-alcohol beer. Coors is the only one of the nation's top five brewers yet to introduce such a brand. The company isn't opposed to the concept, but is still monitoring consumer acceptance.

Says Mr. Coors: "Anheuser-Busch can afford to spend $25 million advertising LA while selling only 500,000 bbls. We can't. Still, we have a product on the shelf and preliminary marketing plans that we could implement very quickly.

"But it would be a dilution of what we want to do now."

FREE! Graphic Calculator Catalog
Call for yours now. No obligation!
GRAPHIC CALCULATOR COMPANY
Designing and manufacturing special slide rules, printed calculators and feature demonstrators for 40 years!
P. O. Box C, 230 James Street
Barrington, Illinois 60010
Call Cape Gulbransen or Barbara Kokoron at 312/381-4480

WHY?
Because in CNN/Headline News Homes The Other Networks' News Ratings Take a Beating.
CNN / HEADLINE NEWS

Gray area

(Continued from Page 24)

ance. Many incentive houses are not offered that same 3% to offset their costs.

The only exception is a large-scale catalog with wide distribution. In many cases, manufacturers are willing to pay a certain percentage to get their product featured in that catalog. Involvement in the gray market by the incentive industry is risky, but the 20%-to-30% price spread makes these products difficult to ignore.

In the electronics area, companies such as Sony are hit the hardest. Other companies, such as Yamaha, with a limited line and limited distribution, also can fall victim. Yamaha last year found itself in the gray market with its popular compact-disc player. The parent company traced serial numbers to some of the gray goods that were sold in Japan selling to certain importers. It terminated its relationships and problems ceased.

It is difficult for the premium marketer to compete with both the retailer and the gray market. It is the premium and incentive marketers who continually promote products through large incentive programs and provide additional channels of distribution for these products. Clearly, the manufacturers must decide if the premium accounts are worth cultivating.

Many manufacturers contend that there is a distinction between the retail market and the premium market. Premium buyers are, in many cases, more concerned with service, specialization and support materials, delivery time and, of course, warranty. Price/value is as important to the premium buyer, if not more so, as to the retailer. With price differences between gray market and legitimate product ranging as widely as 20% to 30%, it is difficult to sell legitimate product to a client looking for a value.

The difference between premiums and retail should be black and white, not a shade of gray.

Mr. Feldman heads Feldman Associates, Chicago, a marketing services agency.

Ad pages in farm publications for 3 months, 1985-84

First-quarter figures for U.S. and Canadian publications reporting to Advertising Age

	Pages Jan.-Mar.-1985	Jan.-Mar.-1984
— Canadian —		
Country Guide:		
Eastern Edition	144.3	147.5
National Edition	276.1	290.8
Western Edition	178.9	185.7
Le Bulletin des Agriculteurs	52.0	47.0
Total Group	651.3	671.0
% change	−2.9%	
— Dairy & livestock —		
Beef Magazine A.	223.3	222.2
Beefweek	144.5	172.7
The Cattleman	345.2	353.0
Dairy	80.6	—
Dairy Herd Management	81.5	141.9
Drovers Journal (52x) A.	258.0	337.0
Farm Progress Hog Producer	18.4	26.8
Feedlot Management	76.4	72.8
Florida Cattleman	209.5	237.2
Hoards Dairyman (23X) A.	209.6	255.9
Hog Farm Management	56.3	120.1
National Hog Farmer	243.6	237.0
Pig American	44.3	68.4
Pork '85	125.0	103.0
Southern Beef Producer (8X)	61.1	42.3
Sunbelt Dairyman (6X)	9.7	10.5
Western Livestock Journal Weekly:		
Central Edition	77.8	115.0
Western Edition	92.1	106.3
Western Livestock Reporter	148.4	182.6
Total Group	2,475.3	2,804.7
% change	−11.7%	
— Fruit & vegetable —		
American Fruit Grower	153.4	165.7
American Vegetable Grower	151.1	126.0
Citrus & Vegetable	149.9	153.7
Total Group	454.4	445.4
% change	+2.0%	
— General farm publications —		
American Agriculturist	96.6	135.7
California Farmer (21X) A.	202.0	231.5
Cotton Farming:		
Midsouth Edition	204.4	119.7
Texas-Oklahoma Edition	122.6	65.7
Western Edition	130.6	60.4
Farm Futures A.	186.5	154.7
Farm Industry News (10X)	225.8	216.6
Farm Journal (14X)	288.3	333.8
Farmer-Stockman Unit:		
Oklahoma Farmer-Stockman	38.2	43.2
Texas Farmer-Stockman	30.9	43.4
Harvest Publishing Unit:		
Kansas Farmer (21X)	218.1	267.3
Michigan Farmer (21X)	219.7	218.5
Missouri Ruralist (21X)	265.3	275.4
Ohio Farmer (21X)	298.8	293.7
Pennsylvania Farmer (21X)	208.4	210.5
High Plains Journal:		
Eastern Kansas (52X)	529.1	602.3
Colorado	505.8	573.5
Nebraska	502.2	578.0
Oklahoma-Texas	526.5	587.9
Western Kansas	564.4	633.4
Irrigation Age (10X) A.	74.2	100.1
Kentucky Farmer	113.9	110.8
Lancaster Farming (52X)	1,638.0	1,440.8
Midwest Farm Paper Unit: (24X)		
The Farmer	365.1	445.5
Indiana Edition	428.5	424.6
Nebraska Farmer	442.1	536.0
Prairie Farmer A.	460.4	436.5
Wallaces Farmer A.	408.9	448.3
Pecan South (6X)	16.8	16.8
Progressive Farmer A.	233.1	245.9
Rice Farming	89.4	74.3
Specialized Agricultural Publications:		
Flue Cured Tobacco Farmer	44.8	64.9
Peanut Farmer (8X)	37.9	42.7
Successful Farming A.	111.5	113.7
Tennessee Farmer	53.3	59.5
Western Unit Farm Magazines:		
Arizona Farmer-Ranchman	72.5	64.3
Colorado Rancher & Farmer (5X)	121.2	181.9
Northwest Unit Farm Magazines: (24X)		
Idaho Farmer-Stockman	199.0	238.9
Montana Farmer-Stockman	284.0	340.7
Oregon Farmer Stockman	160.9	179.8
Utah Farmer-Stockman	143.9	154.0
Washington Farmer-Stockman	165.7	189.1
Wyoming Farmer-Stockman	63.5	82.9
Total Group	11,093.1	11,637.3
% change	−4.7%	
— Poultry —		
Broiler Industry	164.0	144.8
Poultry Digest	43.2	43.5
Poultry Tribune	58.9	79.2
Poultry & Egg News:		
Poultry Times	37.6	—
Southeast Edition	47.5	—
Southwest Edition	23.7	—
Poultry & Egg Mktg.	48.0	—
Total Group	761.3	267.8
% change	+185.0%	

(X) Represents the number of times published each year; publications are monthly unless otherwise specified. A. Sectional linage included but prorated to circulation of regional editions.

'Times Herald' escalates Dallas news war

By TOM BAYER

Times Mirror Co. has opened its coffers wide in its latest effort to improve the circulation of the *Dallas Times Herald*.

The paper—which long has been embroiled in a bitter newspaper war with the rival *Dallas Morning News*—is beefing up its staff to make way for an array of new sections, backed by a media campaign.

On May 5, the *Times Herald* will replace its *Westward* Sunday magazine with *Dallas City*. The new 10¾-by-11½-in. magazine will be printed on supercalendared stock, stitched and trimmed for an updated appearance.

The newspaper also will begin a weekly "Outlook" section of in-depth and behind-the-scenes reports related to recent news stories. The "Arts and Leisure" section also will be expanded, as will the Sunday sports and business presentations and the newspaper's *TV Times*. That's only the first salvo. On Monday, May 6, the *Times Herald* will introduce "Dallas Inc.," a weekly tabloid business section targeted at business executives.

Harold Stanley, senior vp of the *Morning News*, the *Times Herald's* feisty competitor, described the coming changes as "catch up."

Both papers reported circulation gains from 1983 to 1984 for the six months ending Sept. 30, the most recent Audit Bureau of Circulation figures available. But the *News* remains the dominant Dallas paper. The *News* reported daily circulation of 360,347 compared with 270,661 for the *Times Herald*; on Sundays, it's 454,828 to 373,225, respectively. These figures were derived after an ABC audit showed both papers submitted circulation figures that included nonpaid subscriptions.

Times-Mirror Co. also owns the *Denver Post*, *Los Angeles Times* and *Newsday*, among other newspaper properties.

Tom Johnson, *Times Herald* chairman and chief executive officer, said the changes are designed to feed the increased appetite among readers and advertisers for business, sports and Dallas coverage, as identified in research.

On the circulation side, the *Times Herald* will begin offering guaranteed service to all subscribers as well as a 90-day, money-back guarantee to new subscribers. The change reflects Mr. Johnson's resolve to correct what he says were "serious service problems," for which a new circulation service center was created.

Mr. Johnson said changes will continue throughout 1985, culminating in the fall with a graphic streamlining of the newspaper that will occur when a new offset press is installed.

Laurie Walton, *Times Herald* marketing director, said 41 different projects are involved, not the least of which is a multimedia advertising campaign being created by the Richards Group, Dallas. Details of that are to remain under wraps for competitive reasons, she said, but she acknowledged that the new campaign will replace the newspaper's "What does the *Herald* say" celebrity campaign.

For the newspaper's parent, Los Angeles-based Times Mirror Co., the change represents a major increase in its commitment to the Dallas property, Mr. Johnson said. He said the company increased its capital expenditures for new *Times Herald* presses and other equipment to $45 million from $25 million initially.

At left, an April 7 *Dallas Times Herald* ad trumpets the paper's new additions, which include a weekly tabloid business section (above), "Dallas Inc."

And, he said, Times Mirror is adding 10 editorial staffers at the *Times Herald* (mostly for business news and *Dallas City*).

Times Mirror said it will commit to a significant increase in ad spending, but would not specify the ad budget. According to Leading National Advertisers, the *Times Herald* spent about $1 million in spot tv through the first nine months of 1984.

The changes are designed to stop the *Times Herald's* loss of market share to the *Morning News*, which has undertaken many improvements of its own during the past three years. The *News* introduced a "Business Tuesday" section and increased business coverage five years ago, and has upgraded its Sunday magazine, sports section and made other improvements.

Some *News* insiders, who asked not to be identified, speculated the changes are intended to divert attention from the *Times Herald's* declining circulation, expected to be confirmed in March 31 Audit Bureau of Circulations figures to be released about the same time.

Mr. Johnson said the *Times Herald* improvements are not responses to changes at the *News*. "The *Dallas News* is an excellent newspaper, and I congratulate them on their many successes and achievements. But I do not believe in building yourself up by cutting the competition. Our emphasis is to do what we can do to make the *Times Herald* the best it can be."

4A's programs guide

NEW YORK—A growing number of advertising agencies are developing and packaging software programs to improve record keeping, according to a new directory published by the American Assn. of Advertising Agencies.

The 65-page "Computer Software Systems Directory" lists 45 software and hardware vendors that serve agencies and provides details on software applications in accounting, traffic, media and production billing.

The directory—free to member agencies, $25 for nonmembers—is available from the Four A's, 666 Third Ave., 10017.

CALL ON US FOR—
ANIMAL COSTUMES
OF EVERY DESCRIPTION
CUSTOM-MADE MASCOT, LOGO AND TOY REPRODUCTIONS OUR SPECIALTY
OVER 200 STOCK DESIGNS AVAILABLE
MAILED PRESENTATION $5
FACEMAKERS, INC.
Dept. A-34
140 FIFTH STREET
SAVANNA, IL 61074
815-273-3844

THROW A PARTY ON QE2 IN NEW YORK!
Choose a day when the one-and-only Queen Elizabeth 2 is in New York, and host a private party on board—cocktails and luncheon in a restaurant rated Five-Plus Stars in the new *Fielding's Worldwide Cruises!*
For all the facts, phone Cunard's Don Becker soon: (212) 880-7313.
QUEEN ELIZABETH 2 British Registry
CUNARD
© 1985 CUNARD

where were you???
when the lottery market doubled its gross sales to
$8.01 BILLION
IN 1984?
LOTTERY
Player's Magazine
THE consumer medium for recreational gaming, travel and lottery ... for media information, call (609) 665-7577

DECALS
ALL TYPES & IRON ON
Silk Screen • Litho • 4 Color
Pressure Sensitive • Water Mount
MIDWEST DECALCOMANIA CO.
Manufacturers
1100 W. Washington Chicago, IL 60607
(312) 829-0145

QUARTERLY EARNINGS

Competition stifles Curtis

CHICAGO—"Unprecedented competition" among consumer products marketers sent Helene Curtis Industries' fiscal fourth-quarter and yearly earnings tumbling, despite higher revenues.

For the quarter, which ended Feb. 28, sales rose 5.8% to $96 million from $90.7 million a year earlier, while earnings dropped nearly 20% to $4.3 million, from $5.3 million.

For the year, sales increased 12% to $370.3 million from $330.4 million a year earlier. Earnings fell 74% to $2.7 million from $10.4 million the previous year.

"We had improved results for the first half, but our operating results were [hurt] in the second half when the competitive environment [in personal-care products] intensified," said Ronald J. Gidwitz, president.

"The need to advertise and promote consumer brands heavily to gain or maintain market share narrowed margins considerably," Mr. Gidwitz added.

Privately, Wall Street analysts are concerned Helene Curtis cannot maintain its heavy ad spending on products such as the Atune line for permed or color-treated hair.

However, one industry consultant says the company won't be able to bargain for precious retail shelf space unless Helene Curtis continues spending to improve its market shares.

CBS Inc., New York, reported significantly lower income and revenues for the first quarter, which it attributed to a decline in record sales and the acquisition of the Ziff-Davis Publishing Co.'s consumer magazine group. The decline had been expected.

The absence of the "extraordinary" sales of Michael Jackson's "Thriller" album caused the records group's net income to plummet to $25.1 million from $57.2 million in the year-ago quarter.

The publishing group incurred a loss of $15.2 million, vs. a year-ago loss of $11.7 million, due to amortization of acquisition costs and goodwill associated with the acquisition of the Ziff-Davis magazines, which was completed Feb. 4.

The broadcast group's performance, by comparison, was better, with net income up 9%, to $56.4 million from $51.8 million. This was attributed to the strong performance of the CBS Television Network, which continues to lead its rivals in the Nielsen ratings in all dayparts, except for late night and Saturday morning.

Bottom Line: Net income was $16.7 million, a 57% decrease from $38.9 million in the same period last year. Total revenues for the quarter declined 2%, to $1.12 billion from $1.15 billion.

General Mills' proposed spinoff of its toy group and the expected sale of its fashion operations have had a drastic effect on third-quarter and nine-month financial results.

The Minneapolis company announced earlier this year it would sell its ailing toy group, comprised of Kenner Products, Parker Bros. and Fundimensions, and its troubled fashion division, comprised of Foot Joy, Izod, Monet Jewelry and Ship 'n Shore (AA, Jan. 31). Last month, General Mills amended that plan and said it would spin off the toy group instead (AA, April 1). Bottom line: In the third quarter, ended Feb. 24, General Mills had a $105.3 million loss from discontinued operations and another $8.5 million loss from asset redeployment charges. Net earnings from continuing operations were $39.7 million, resulting in a total net loss of $74.1 million. That compares with net earnings of $38.7 million for the same period last year. Third-quarter sales rose 4% to $1.1 billion from $1.0 billion.

For the first nine months, the company lost $77 million from discontinued operations and $9.4 million from asset redeployment but earned $122 million from continuing operations, for total net earnings of $35.6 million.

For the year-ago period, General Mills had net earnings of $192.9 million. Sales for the first nine months rose 3.5% to $3.3 billion from $3.2 billion.

MGM/UA Entertainment Co., Culver City, Cal., reported a net loss for the second quarter, which the studio blamed on poor performance of its movies.

For the second quarter ended Feb. 28, MGM/UA sustained a net loss of $82.2 million, compared with a net profit of $16 million a year earlier.

Bottom line: Revenues were $162.1 million, versus $214.3 million a year earlier. For the six-month period, it posted a net loss of $80.5 million, compared with a net profit of $27 million a year earlier. Revenues were $332.9 million, versus $406.5 million before.

Agency Profile Report Addendum

($ figures in 000,000)

Agency, city	1984 Gross income	1984 Capitalized billings	Phone
Epstein Raboy Advertising, NYC	5.3	35.0	212/688-4000
Tycer-Fultz-Bellack, Palo Alto	5.2	34.5	415/856-1600
MARC & Co., Pittsburgh	4.1	27.0	412/562-2000
Newmark, Posner & Mitchell, NYC	3.0	18.5	212/867-3900
Dubreck DePaul Fiers & Morgan, Pittsburgh	2.0	15.0	412/242-2580
R.S. Feldman & Co., Chicago	1.7	11.5	312/642-4300
Marketing Communications Group, Toledo	1.7	11.3	419/255-6555
Zechman & Associates, Chicago	1.7	12.1	312/346-0551
Decker Guertin Cheyne Inc., Hartford	1.5	10.1	203/522-6633
William Eisner & Associates, Milwaukee	1.4	9.2	414/425-8800
Umphenour & Martin, Atlanta	1.3	9.0	404/939-6820
Furman, Roth Advertising, NYC	1.2	7.7	212/757-7393
Omaha Creative Group, Omaha	0.7	2.1	402/391-3660
L. Quillan & Associates, LaCrosse, Wis.	0.6	1.6	608/788-8292
Furman, Feiner & Co., Englewood, N.J.	0.3	1.8	212/757-7393
Zeta Media Inc., Juno Beach, Fla.	0.2	1.5	305/627-7660

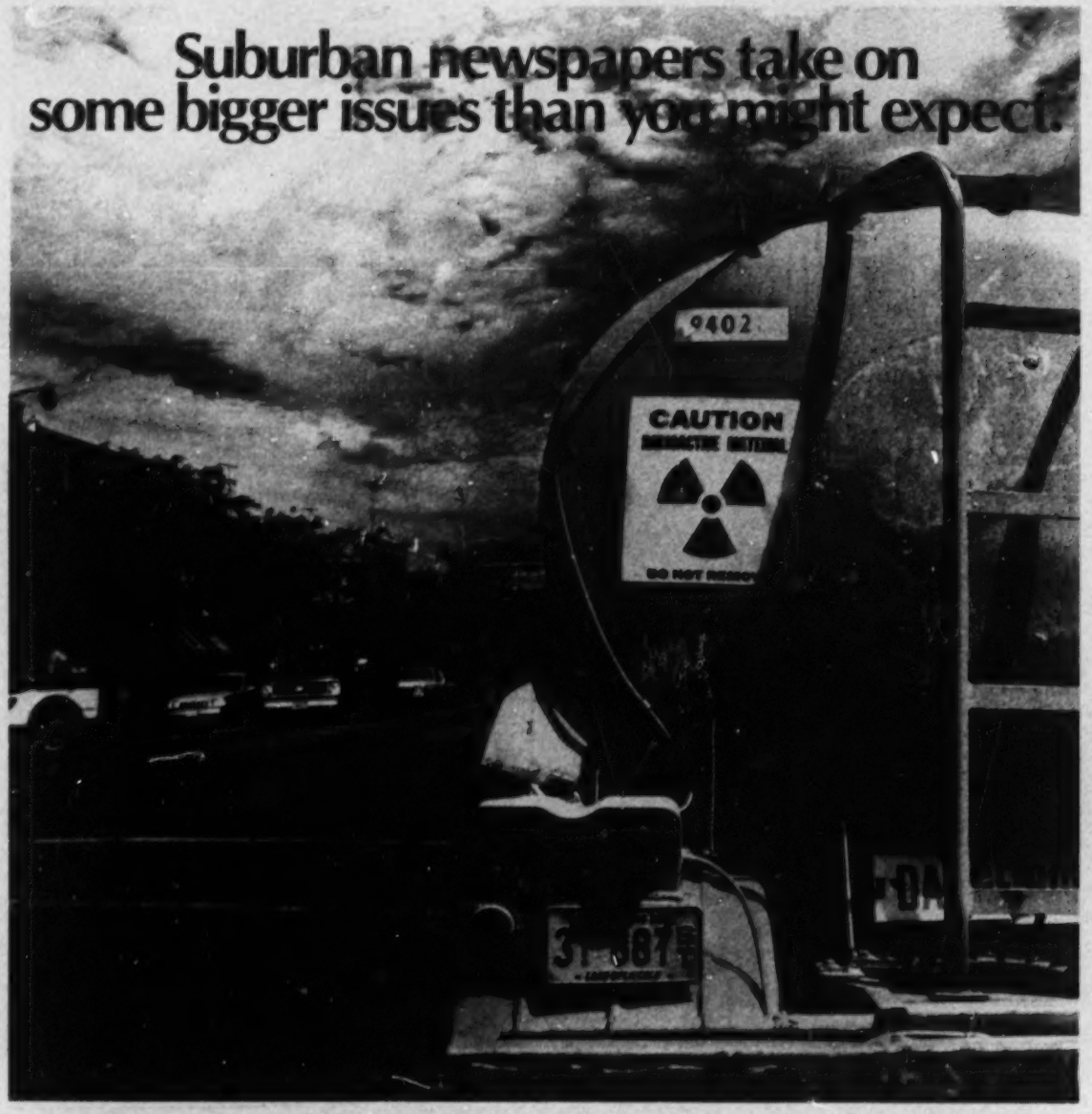
Note: The above agencies were omitted from the March 28 Agency Profile Report. The number was sufficient enough to publish this addendum giving basic financial data and means of contact.

Executives, employees and clients will cherish this tasteful expression of affiliation.

Call or write today for our brochure.
1-800-252-5966

alynn NECKWEAR

108 Dogwood Ct — Dept. A
Stamford, CT 06903
(203) 322-5160



It's true that if you live in the suburbs, the only place you'll find your little girl's softball team standings is in suburban newspapers. But they're also your only source for learning about things like school board elections, zoning board meetings or the proposed transport of toxic materials through your town.

And you learn about these things while you still have time to do something about them, not after the fact. Suburban newspapers are the only place people who live in the suburbs can get the news, issues and information that affect their everyday lives.

USSPI makes it easy for you to reach this prime audience of nearly 13,000,000 households and 31,000,000 readers. USSPI is a national network of over 1000 quality suburban newspapers covering 45 major metro areas. Papers that have won over 500 local and national editorial awards. Papers that are all audited, and that subscribe to the new SAU Standard advertising units, so your ad can run unaltered from coast to coast.

We can provide demographics and CPMs by market. And you can buy as many markets as you like with just one insertion order. One rate. One invoice. One check. To reach the suburban market, buy what the suburban market reads. USSPI.

USSPI
U.S. Suburban Press, Inc.
The suburbs' source for news